

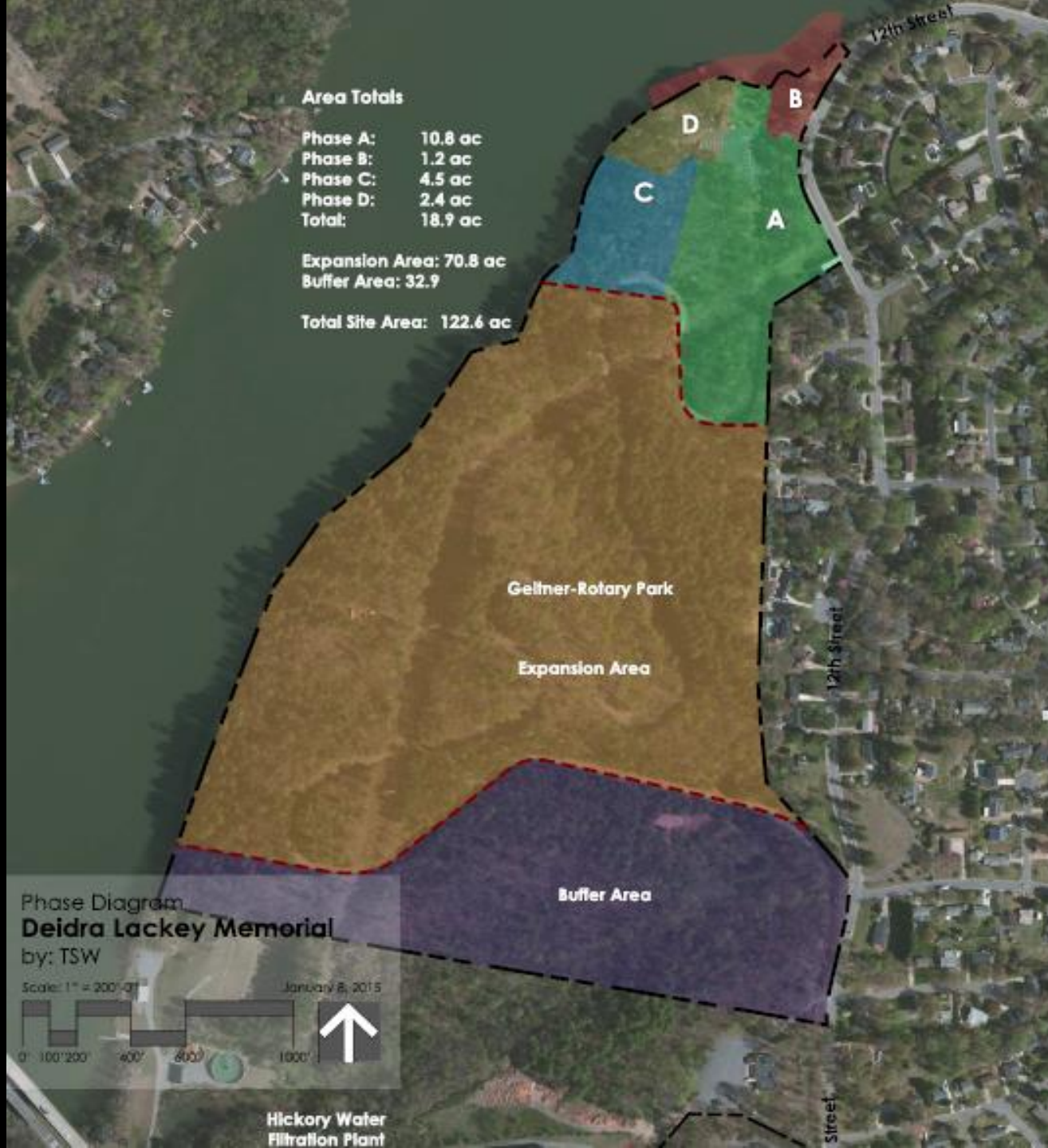
Lackey Park

October 15, 2019



Life. Well Crafted.





MASTER PLAN



Boat Dock

Family Area

Lake House

Conservatory

Amphitheater

Dock

TSW

PLANNERS
ARCHITECTS
LANDSCAPE ARCHITECTS

Background



Robert Lackey, Sr. desires to memorialize his late wife, Deidra Lackey by enhancing the City's park and recreational facilities

The City of Hickory and Lackey Park, L.L.C., a company created by Robert W. Lackey, Sr. and Robert W. Lackey, Jr. (the "Company"), want to enter into a public-private partnership to plan, develop, construct, manage, and operate a waterfront memorial park project - The Deidra Lackey Memorial Park

The project is outlined in four agreements:

- Park Operating Agreement
- Grant Agreement
- Ground Lease Agreement
- Burial Site Agreement

TSW

PLANNERS
ARCHITECTS
LANDSCAPE ARCHITECTS



EXISTING
POWER
EASEMENT

PRESERVED
WOODED AREA

EXISTING ASPHALT
TRAIL (WITH GRAVEL
SHOULDER UPGRADES)

EXISTING ASPHALT
TRAIL (WITH GRAVEL
SHOULDER UPGRADES)

NEW TRAIL
EXTENSION

CONSERVATORY
ACCESS

THE
CONSERVATORY

ELEVATOR
TOWER

RIVER WALK
CANOPY WALK

RIVER WALK
PLAZA

ENTRY
PLAZA/
DROP OFF

THE LAKE
HOUSE

ADA
ACCESS

BIO-
RETENTION

EXISTING STREAM
(WITH ENHANCED
RIPARIAN AREA)

GATEWAY/
ENTRY SIGNAGE

FLEX EVENT
SPACE

OVERFLOW
LAWN PARKING
(41 SPACES)

PARKING LOT
(86 SPACES)

CONNECTION TO
RIVER WALK

EVENT
DOCK

AMPHITHEATER/TIERED
PATIO SEATING

30' BUFFER

50' BUFFER

PADDLE-
BOARDING AREA

FAMILY SHELTER/
RESTROOMS

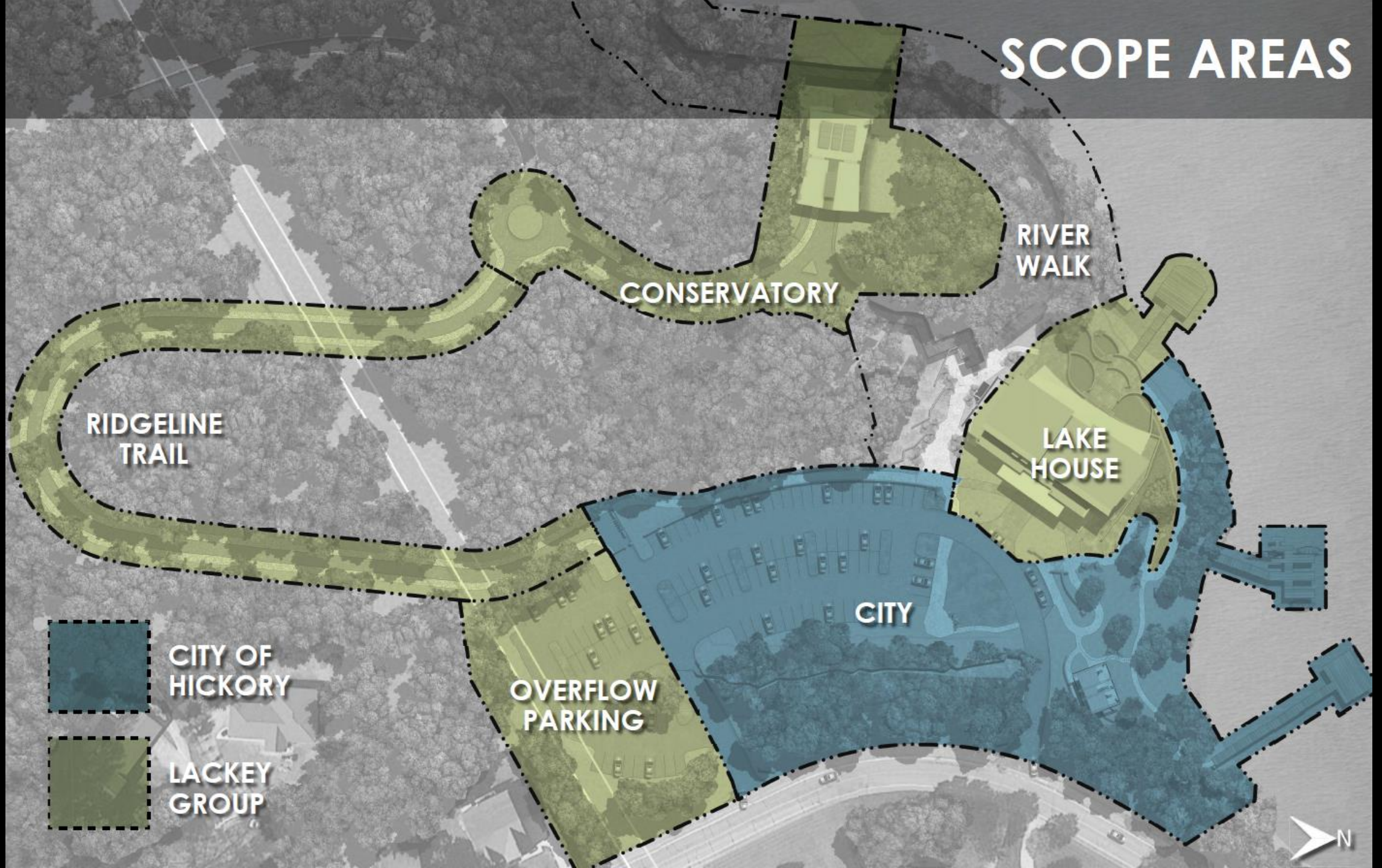
BOAT
DOCK

CANOE
LAUNCH

FISHING
DOCK

DEIDRA LACKEY MEMORIAL PARK

SCOPE AREAS

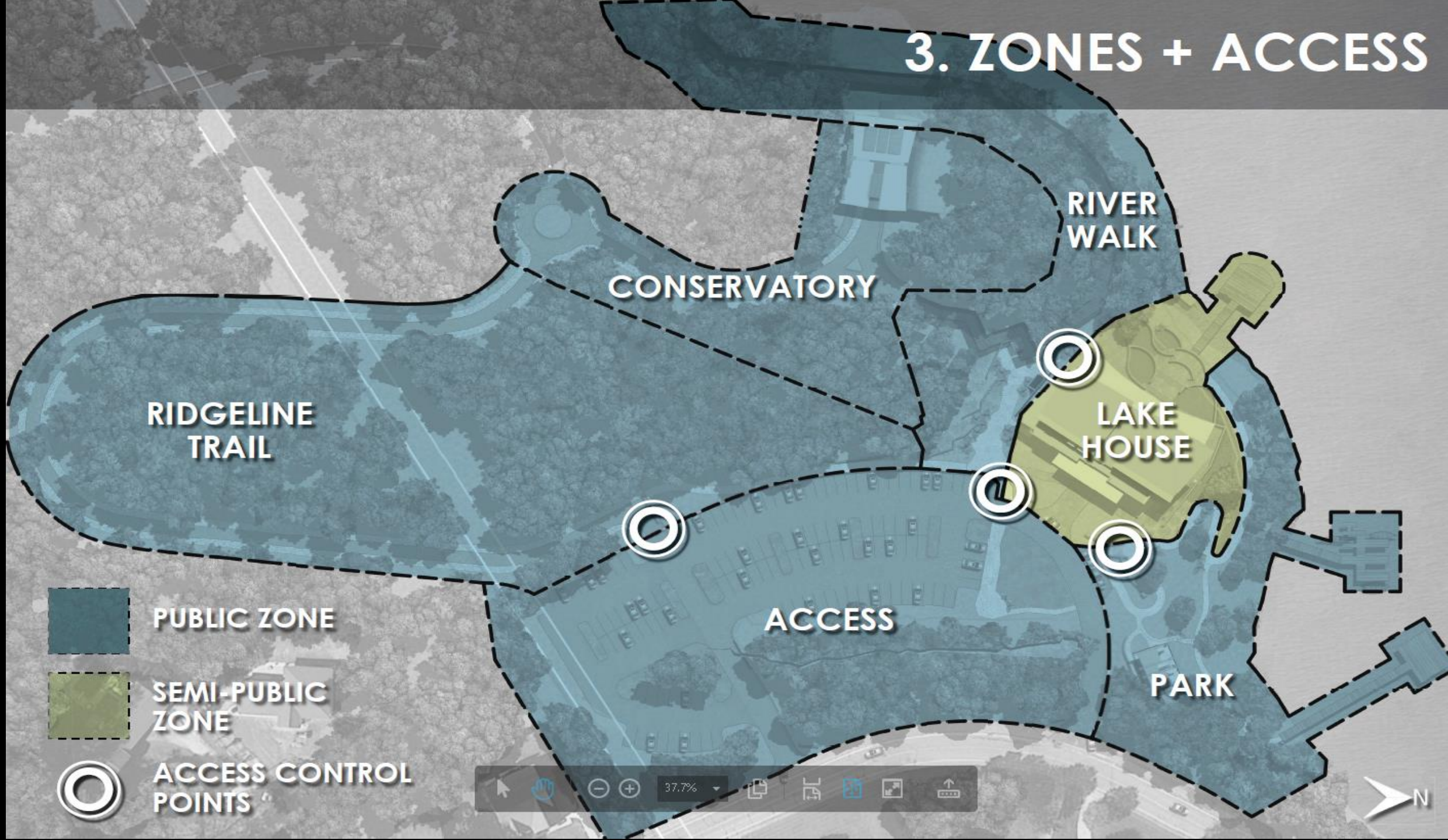


Park Operating Agreement

Facility Construction Obligations

- City shall ground lease a portion of Rotary Geitner Park for a 40-year term to the Company for the Memorial Park
- Company shall construct a Lake House, Conservatory, and certain related improvements in the Lake House and Conservatory Zones in accordance with a proposed Construction Timeline
- Company shall own the Facilities it constructs in these zones. City retains ownership of the Memorial Park, subject to the leasehold rights
- City shall construct and manage the Facilities and improvements in the Riverwalk Zone, Park Zone, Access Zone (including Parking Lot and Overflow Lot) and Ridgeline Trail Zone at its expense.
- Company shall reimburse City for the costs of the Overflow Lot and roadway improvements in the Ridgeline Trail Zone

3. ZONES + ACCESS



Park Operating Agreement

Operation and Maintenance of Facilities

- Company shall operate, manage and control the Conservatory and Conservatory Zone which shall be open to the public in manner substantially similar to other city park areas. City shall share in 50% of utility costs to the Conservatory.
- Company shall operate, manage and control the Lakehouse and Lakehouse Zone. Company may provide public and private programs and events, as well as food and beverage services. City shall have the right to use the Lakehouse up to 12 times per year and reimburse company for costs.
- City shall be responsible for enhanced maintenance of the Memorial Park areas, outside the Conservatory and Lake House Zones, similar to other top quality public and private parks in NC; Company shall be responsible for supplementary enhanced maintenance of Conservatory Zone and Lake House Zones
- Detailed operation and maintenance responsibilities for both parties shall be outlined in the Operations and Maintenance Plan



Park Operating Agreement

Naming Rights

- Company shall have naming rights for the Memorial Park, including any future park development, in portions of the Buffer and Expansion Zones. City retains the right to separately name certain Facilities located outside the Lake House and Conservatory Zones, under the Geitner name

Termination

- Absent a permitted period of delay, the City has the right to terminate the agreement if Company fails to construct Lakehouse within 4 years and rename the Memorial Park if Company fails to construct the Conservatory within 6 years after execution of this Agreement

Grant Agreement

Availability of Land

- City shall lease a portion of Geitner park to the Company to construct the Lake House Zone project (Lake House and certain related improvements). (City and Company shall execute a separate grant agreement for the construction of the Conservatory Zone project.)
- City conducted test borings to assess soil conditions and provided a copy of the assessment report to the Company
- Company shall provide a survey of site before construction and set of As Built Plans after a Certificate of Occupancy is issued
- Company shall be solely responsible for damage to park property caused by those authorized by Company to work on site

Company's Obligations

- Company shall develop and construct the project at its own cost and expense
- Company is responsible for any required rough grading in connection with the project
- Company shall construct the project in a good and workmanlike manner in substantial compliance with agreed upon plans and specifications and in conformance with the State Building Code and applicable City ordinances
- Company shall ensure construction site is free from accumulations of waste, rubbish and other debris on a daily basis
- Company shall be responsible for all utilities associated with the project during construction

Grant Agreement

City's Obligations

- City shall have the right to oversee work performed on the project, with minimal interference
- City has right to suspend any work on the project if safety hazards arise
- City shall assist in obtaining any necessary permits and approvals from Duke Energy for the construction of event dock

Ownership of Facilities and Personal Property

- Company shall own all the Facilities it constructs and all personal property in those Facilities

Bonds and Insurance

- Company shall procure performance and payment bonds from each applicable contractor or subcontractor
- Company shall purchase and maintain all required insurance during construction of the project and name the City as an additional insured
- Company shall indemnify and hold harmless the City from all claims arising from any damage resulting from the construction of the Facilities, except for claims arising from the City's negligence or intentional misconduct

Ground Lease Agreement

Lease of Parcels and Related Rights

- City (Landlord) shall lease a portion of Geitner park (consisting of the Lake House and Conservatory Zones) to the Company (Tenant) subject to 1) Landlord's rights to grant third parties the right to construct and use burial sites in the Conservatory Zone and 2) use Lake House up to 12 times per year

Lease Term and Rent

- Lease is for \$1/year for a 40-year term commencing on first full year after completion of Lake House or Conservatory, whichever occurs first.
- Tenant shall pay all taxes and assessments for Facilities and personal property of leasehold improvements in the Lake House Zone and Conservatory Zone
- Per G.S. 160A-272 (b1) leases for more than ten (10) years shall be treated as a sale of property and subjected to the upset bid process

Use of Premises and Alterations

- Tenant shall use the premises only for operation of the Lake House and Conservatory in the manner contemplated by the Operating Agreement

Ground Lease Agreement

Maintenance

- Tenant is responsible for an enhanced level of maintenance for Tenant Facilities in leased Zones; Landlord is responsible for maintaining all Facilities located in the Memorial Park (outside Tenant Facilities) in accordance with the O&M Plan

Utilities

- Landlord shall extend water/sewer lines to Lake House and Conservatory at Landlord's sole cost; Landlord and Tenant shall each pay ½ of the cost to extend sewer line (including pump station) to Conservatory
- Tenant is responsible for all utilities and services supplied to Lake House and Conservatory
- Landlord shall reimburse Tenant for ½ of the utilities to the Conservatory

Indemnification/Liability Insurance/Property Insurance

- Park Operating Agreement's indemnification provisions are incorporated into the Lease Agreement.
- Tenant shall maintain liability insurance policies or self-insurance during the Lease. Tenant must maintain property insurance, including full replacement costs, on the Lake House and Conservatory Facilities

Ground Lease Agreement

Ownership of Property/Surrender of Premises

- Tenant Facilities on the Leased Zones and improvements in the Access or Ridgeline Trail Zones paid for by Tenant remain the Tenant's property, subject to 1) Tenant's right to donate its ownership right in the Facilities to Landlord and 2) City's (Landlord's) shared usage rights. When the Lease expires or terminates early, Tenant shall surrender the Lake House, Conservatory, all attached fixtures, landscaping and paved areas to Landlord

Assignment and Subletting/Leasehold Mortgages

- Subject to the Lease terms, Tenant may sublease or license parts of the Leased Premises to third party vendors to provide/sell food and beverages.
- Tenant has the right to mortgage its leasehold interest to in the Premises or to assign its interest in the Lease as collateral security for a loan used to construct, improve or repair the Premises. The mortgage or assignment is subject to all of the covenants, conditions and restrictions in the Lease

Termination

- Lease Agreement shall terminate if/when Park Operating Agreement terminates due to donation of Company facilities and/or if construction obligations are not met as it relates to Lake House Zone or Conservatory Zone

Burial Site Agreement

Background

- City shall ground lease a portion of Geitner park (Memorial Park) to Lackey Park, LLC (Company) to construct, own and manage Conservatory.
- City and Company shall enter into a Park Operating Agreement that shall govern the operation of the Memorial Park, including the Conservatory Zone. City has a reserved right in the Park Operating Agreement to grant third parties burial rights in this Zone.

Construction

- Upon completion of Conservatory by the Operating Company, the City shall license a portion of space in the Conservatory Zone to Burial Rights Company (a third party unaffiliated with Operating Company) for it to build and construct up to 50 in-wall and/or below-ground burial spots in the Conservatory
- Burial Rights Company shall pay a one-time license fee of \$50,000 to the City for use of the burial spaces in perpetuity
- Burial Rights Company shall be responsible for the provision and installation of any crypts to be used for burial within the Burial Area



Burial Site Agreement

Private Use by the Burial Rights Company

- City and Operating Company agree to allow Burial Rights Company the use of the Conservatory Zone on special occasions to celebrate significant family events up to twenty-four (24) times a year upon written request to Operating Company

Access to the Conservatory Zone

- Burial Rights Company shall have access to Conservatory Zone for visitation and similar uses at all reasonable times, including the right to use the Private Access Road as well as Proposed Parking Zone and Overflow Parking Zone

Obligations of the City

- City shall pass a resolution designating the burial area as a cemetery

Obligations of the Burial Rights Company

- Burial Rights Company shall furnish the city with all necessary information concerning the persons interred in burial spaces
- Burial Rights Company shall maintain and repair any crypts to be used for burial, including any plaques, headstones and monuments

Burial Site Agreement

Termination

- This agreement shall automatically terminate if the Conservatory has not been constructed by the Operating Company in accordance with the construction timeline
- Burial Rights Company may terminate this agreement at any time, without cause, if it concludes that the burial spaces are no longer an appropriate place to inter remains of persons it has designated; upon such termination, the Burial Rights Company shall remove any remains interred and all plaques, headstones and monuments and repair any damage caused by the removal at its expense



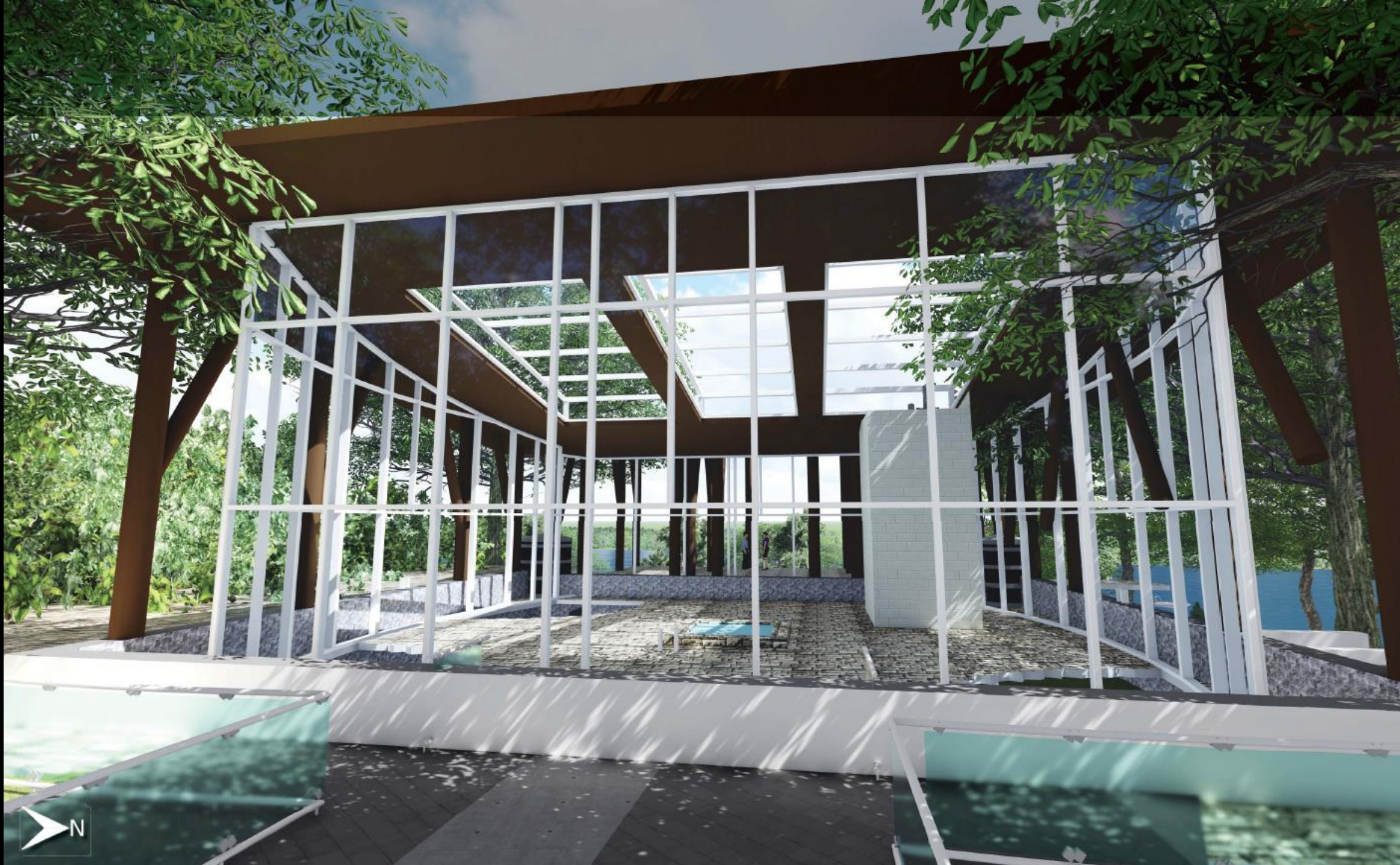




LAKE
HOUSE

EVENT
DOCK

ACCESSIBLE
PATH







DEIDRA LACKEY MEMORIAL PARK

Programatic Budget

Prepared by: TSW | For: Lackey Group Scope

Date: 10.04.2016

| Description | Qty | Unit | Unit Cost | Item Cost |
|-------------|-----|------|-----------|-----------|
|-------------|-----|------|-----------|-----------|

THE LACKEY GROUP

| | | | | |
|---------------------|--|--|--|----------------|
| PROJECT/PHASE TOTAL | | | | \$6,001,298.50 |
|---------------------|--|--|--|----------------|

THE CITY OF HICKORY

| | | | | |
|---------------------|--|--|--|----------------|
| PROJECT/PHASE TOTAL | | | | \$1,806,295.59 |
|---------------------|--|--|--|----------------|

PROJECT GRAND TOTAL

| | |
|----------|----------------|
| Subtotal | \$7,807,594.09 |
|----------|----------------|

| | |
|-------------|-------------|
| FINAL TOTAL | \$7,807,594 |
|-------------|-------------|

DISCLAIMER

This cost estimate is intended only for use as a preliminary evaluation of the general magnitude of the general costs associated with the project. The water and sewer are assumed to remain as is. The material quantities shown herein are subject to change. Unit prices are compiled from job costs of similar projects when such information is available. In the absence of this source of information, other published references may be used to determine approximate unit prices. Variation in items such as raw material costs, labor efficiency, wage rates, and union practices will affect final project costs.



Council Action

- I. Approval of Project/Agreements
- II. Authorize Upset Bid Process

Next Steps

- I. Sign and Execute Agreements
- II. Naming Rights for Park
- III. Resolution to Designate Cemetery



Questions?



Life. Well Crafted.